

Program Memorandum	Department of Health and Human Services (DHHS)
Intermediaries	HEALTH CARE FINANCING ADMINISTRATION (HCFA)
Transmittal A-01-30	Date: FEBRUARY 28, 2001

CHANGE REQUEST 1596

THIS PROGRAM MEMORANDUM ISSUES INSTRUCTIONS CLARIFYING TRANSMITTAL A-01-05. THESE INSTRUCTIONS APPLY TO REGIONAL HOME HEALTH INTERMEDIARIES (RHHIs) ONLY.

SUBJECT: Advance Beneficiary Notices Must Be Given To Beneficiaries and Demand Bills Must Be Submitted By Home Health Agencies (HHAs)--ACTION

Program Memorandum (PM) A-01-05 remains in effect as originally issued and without amendment. The following instructions clarify certain provisions of that PM and are effective on the same date, March 1, 2001.

Beginning March 1, 2001, HHAs must use the HHA PPS Home Health Advance Beneficiary Notice (HHABN) (Form HFCA-R-296, the "new" HHABN) whenever any of the triggering events occur that require issuance of an ABN. As explained in Part I, Section 1-1, E., v., of PM A-01-05, provision of an HHABN is required when an HHA determines that Medicare is not likely to pay for otherwise covered home health care that a physician has ordered. (Note: The determination is based on one of these exclusions in the Social Security Act: medical necessity §1862(a)(1); custodial care §1862(a)(9); homebound or intermittent (§1879(g)(1)). The following circumstances constitute triggering events for an HHABN:

- a. Initiation of Services.--In the situation in which an HHA advises a beneficiary that it will not accept the beneficiary as a Medicare patient because it expects that Medicare will not pay for the services, the HHA must provide an HHABN to the beneficiary before it furnishes home health services to the beneficiary.
- b. Reduction of Services.--In the situation in which an HHA proposes to reduce a beneficiary's home health services because it expects that Medicare will not pay for a subset of home health services, or for any services at the current level and/or frequency of care, the HHA must provide an HHABN to the beneficiary before it reduces services to the beneficiary.
- c. Termination of Services.--In the situation in which an HHA proposes to stop furnishing all home health services to a beneficiary, because it expects that Medicare will not continue to pay for the services, the HHA must provide an HHABN to the beneficiary before it terminates such home health services.

There is no requirement that a new HHABN be issued to all beneficiaries in home health care effective March 1, 2001. Rather, on and after March 1, 2001, for any individual beneficiary, on the first occasion on which a triggering event that requires issuance of an HHABN occurs, the HHA must issue notice using the new HHABN.

HCFA-Pub. 60A

The *effective date* of this PM is March 1, 2001.

The RHHIs' *implementation date* for this PM is March 1, 2001.

The implementation date for HHA providers to be in compliance with the requirements of this PM is March 1, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after March 1, 2002.

Contractors should contact the appropriate regional office with any questions.

For further information, contact Raymond Boyd at RBoyd@hcfa.gov, telephone number (410) 786-4544.